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terminate the existing FEHBP contract.

PART 1643—CONTRACT MODIFICATIONS

AUTHORITY: 5 U.S.C. 8913; 40 U.S.C. 486(c); 48 CFR 1.301.

Source: $62\ FR\ 47575$, Sept. 10, 1997, unless otherwise noted.

Subpart 1643.2—Changes

1643.205-70 Contract clause.

The clause set forth in section 1652.243-70 shall be inserted in all FEHB Program contracts.

PART 1644—SUBCONTRACTING POLICIES AND PROCEDURES

Subpart 1644.1—General

Sec

1644.170 Policy for FEHBP subcontracting consent.

Subpart 1644.2—Consent to Subcontracts

1644.270 FEHBP contract clause.

AUTHORITY: 5 U.S.C. 8913; 40 U.S.C. 486(c); 48 CFR 1 301

Source: $52\ FR\ 16043$, May 1, 1987, unless otherwise noted.

Subpart 1644.1—General

1644.170 Policy for FEHBP subcontracting consent.

For all experience rated FEHBP contracts, advance approval shall be required on subcontracts or modifications to subcontracts when the amount charged against the FEHBP contract exceeds \$100,000 and is at least 25 percent of the total cost of the subcontract.

[62 FR 47575, Sept. 10, 1997]

Subpart 1644.2—Consent to Subcontracts

1644.270 FEHBP contract clause.

The clause set forth at section 1652.244-70 shall be inserted in all experience rated FEHBP contracts.

[62 FR 47576, Sept. 10, 1997]

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PART 1645—GOVERNMENT PROPERTY

AUTHORITY: 5 U.S.C. 8913; 40 U.S.C. 486(c); 48 CFR 1.301.

Source: $62\ FR\ 47576$, Sept. 10, 1997, unless otherwise noted.

Subpart 1645.3—Providing Equipment

1645.303-70 Contract clause.

The clause set forth in section 1652.245-70 shall be inserted in all FEHB Program contracts.

PART 1646—QUALITY ASSURANCE

Subpart 1646.2—Contract Quality Requirements

Sec.

1646.270 General.

Subpart 1646.3—Contract Clauses

1646.301 Contractor inspection requirements.

AUTHORITY: 5 U.S.C. 8913; 40 U.S.C. 486(c); 48 CFR 1.301.

Subpart 1646.2—Contract Quality Requirements

1646.270 General.

- (a) This section prescribes general policies and procedures to ensure that services acquired under the FEHBP contract conform to the contract's quality requirements.
- (b) OPM shall periodically evaluate the contractor's system of internal controls under the quality assurance program required by the contract and will acknowledge in writing whether or not the system is consistent with the requirements set forth in the contract. After the initial review, subsequent reviews may be limited to changes in the contractor's internal control guidelines. However, a limited review does not diminish the contractor's obligation to apply the full internal control system
- (c) OPM will issue specific performance standards for the FEHBP contracts and will inform carriers of the applicable performance standards prior

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to negotiations for the contract year. OPM will benchmark its standards against standards generally accepted in the insurance industry. The contracting officer may authorize nationally recognized standards to be used to fulfill this requirement.

(d) FEHBP carriers shall comply with the performance standards issued under paragraph (c) of this section.

[59 FR 14767, Mar. 30, 1994]

Subpart 1646.3—Contract Clauses

1646.301 Contractor inspection requirements.

The clause set forth at 1652.246-70 shall be inserted in all FEHBP contracts.

[52 FR 16044, May 1, 1987]

PART 1649—TERMINATION OF CONTRACTS

Sec.

 $1649.002\hbox{--}70$ Applicability of the FAR to FEHB acquisitions.

Subpart 1649.1—General Principles

1649.101-70 FEHBP renewal and withdrawal of approval clause.

1649.101-71 FEHBP termination for convenience clause.

1649.101-72 FEHBP termination for default clause.

AUTHORITY: 5 U.S.C. 8913; 40 U.S.C. 486(c); 48 CFR 1.301.

SOURCE: 52 FR 16044, May 1, 1987, unless otherwise noted.

1649.002-70 Applicability of the FAR to FEHB acquisitions.

- (a) Termination of FEHB contracts because of withdrawal of approval is controlled by 5 U.S.C. 8902(e) and 5 CFR 890.204.
- (b) Termination of FEHB contracts because of nonrenewal of the contract at the end of the contract term is controlled by 5 U.S.C. 8902(a) and 5 CFR 890 205
- (c) The procedures for settlement of contracts after they are terminated shall be those contained in FAR part 49

[57 FR 19387, May 6, 1992]

Subpart 1649.1—General Principles

1649.101-70 FEHBP renewal and withdrawal of approval clause.

The clause in 1652.249-70 shall be inserted in all FEHBP contracts.

1649.101-71 FEHBP termination for convenience clause.

The clause set forth in 1652.249-71 shall be inserted in all FEHBP contracts.

[62 FR 47576, Sept. 10, 1997]

1649.101-72 FEHBP termination for default clause.

The clause set forth in 1652.249-72 shall be inserted in all FEHBP contracts.

[62 FR 47576, Sept. 10, 1997]